



# TRANSMITTAL FORM

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Complete if Known

Application Number 09/637,387  
Filing Date August 11, 2000  
First Named Inventor Amy HAUGEN et al.  
Examiner Name Jean D. Janvier  
Group Art Unit 3622  
Confirmation No. 8884  
Total Number of Pages in This Submission 27 Attorney Docket Number 2829-140

## ENCLOSURES (check all that apply)

- |  |   |  |
|--|---|--|
| <input checked="" type="checkbox"/> Fee Transmittal Form                     | <input type="checkbox"/> Assignment Papers  | <input type="checkbox"/> After Allowance Communication to Group                                |
| <input checked="" type="checkbox"/> Fee Attached                             | <input type="checkbox"/> Submission of Formal Drawings                                  | <input checked="" type="checkbox"/> Appeal Communication to Board of Appeals and Interferences |
| <input type="checkbox"/> Amendment/Reply                                     | <input type="checkbox"/> Licensing-related Papers                                       | <input type="checkbox"/> Appeal Communication to Group (Appeal Notice, Brief, Reply Brief)     |
| <input type="checkbox"/> After Final   | <input type="checkbox"/> Petition   | <input type="checkbox"/> Proprietary Information   |
| <input type="checkbox"/> Affidavits/declaration(s)                           | <input type="checkbox"/> Petition to Convert to a Provisional Application               | <input type="checkbox"/> Status Letter   |
| <input type="checkbox"/> Extension of Time Request                           | <input type="checkbox"/> Power of Attorney, Revocation Change of Correspondence Address | <input type="checkbox"/> Other Enclosure(s) (please identify below):                           |
| <input type="checkbox"/> Express Abandonment Request                         | <input type="checkbox"/> Terminal Disclaimer  |  |
| <input type="checkbox"/> Information Disclosure Statement                    | <input type="checkbox"/> Request for Refund   |  |
| <input type="checkbox"/> Certified Copy of Priority Document(s)              | <input type="checkbox"/> CD, Number of CD(s)  |  |
| <input type="checkbox"/> Response to Missing Parts/ Incomplete Application   |   |  |
| <input type="checkbox"/> Response to Missing Parts under 37 CFR 1.52 or 1.53 |   |  |

REMARKS:

SUBMITTED BY		Complete (if applicable)			
NAME AND REG. NUMBER	Monica S. Davis, Reg. No. 44,492				
SIGNATURE		DATE	August 30, 2004	DEPOSIT ACCOUNT USER ID	



		Complete if Known		
		Application Number	09/637,387	
Filing Date		August 11, 2000		
First Named Inventor		Amy HAUGEN et al.		
Examiner Name		Jean D. Janvier		
Group Art Unit		3622		
Total Amount of Payment	(\$)	330.00	Attorney Docket Number	2829-140

**METHOD OF PAYMENT (check one)**

1. ☒ The Commissioner is hereby authorized to charge additional fees and credit any overpayment to Deposit Account Number 02-2135 in the name of Rothwell, Figg, Ernst & Manbeck
- ☒ Charge any Additional Fee Required Under 37 CFR 1.16 and 1.17
- ☐ Applicant claims small entity status
2. ☒ Payment Enclosed
- ☒ Check
- ☐ Credit Card

**FEE CALCULATION****1. FILING FEE**

Fee Code	Fee \$	Fee Description	Fee Paid
101	740	Utility filing fee	[ ]
106	330	Design Filing Fee	[ ]
107	510	Plant Filing Fee	[ ]
108	740	Reissue Filing Fee	[ ]
114	160	Provisional Filing Fee	[ ]

**SUBTOTAL \$****2. CLAIMS**

Paid	Extra Claims	Fee	Fee
Total Claims [ ] - 20** = [ ] x \$18 = [ ]			
Independent Claims [ ] - 3** = [ ] x 84 = [ ]			
Multiple Dependent Claims + 280 = [ ]			

\*\*or number previously paid, if greater;

**SUBTOTAL \$****FEE CALCULATION (continued)****3. ADDITIONAL FEES**

Fee Code	Fee Paid	Fee Description	Fee Paid
105	130	Surcharge - late filing fee or oath	[ ]
127	50	Surcharge - late provisional filing fee or cover sheet	[ ]
139	130	Non-English specification	[ ]
147	2,520	For filing a request for reexamination	[ ]
112	920	Requesting publication of SIR prior to Examiner action	[ ]
113	1,840*	Requesting publication of SIR after Examiner action	[ ]
115	110	Extension for reply within first month	[ ]
116	400	Extension for reply within second month	[ ]
117	920	Extension for reply within third month	[ ]
118	1,440	Extension for reply within fourth month	[ ]
128	1,960	Extension for reply within fifth month	[ ]
119	320	Notice of Appeal	[ ]
120	320	Filing a brief in support of an appeal	[330.00]
121	280	Request for Oral Hearing	[ ]
138	1,510	Petition to institute a public use proceeding	[ ]
140	110	Petition to revive -unavoidable	[ ]
141	1,280	Petition to revive - unintentional	[ ]
142	1,280	Utility issue fee (or reissue)	[ ]
143	460	Design issue fee	[ ]
144	620	Plant issue fee	[ ]
122	130	Petitions to the Commissioner	[ ]
123	50	Processing fee under 37 CFR 1.17(q)	[ ]
126	180	Submission of Information Disclosure Statement	[ ]
581	40	Recording each patent assignment per property (times number of properties)	[ ]
146	740	Filing a submission after final rejection (37 CFR .129(a))	[ ]
149	740	For each additional invention to be examined (37 CFR 1.129(b))	[ ]
179	740	Request for Continued Examination (RCE)	[ ]
169	900	Request for expedited examination of a design application	[ ]
195	300	Publication fee for early, voluntary, or normal publication	[ ]
196	300	Publication fee for republication	[ ]
089	200	Filing application for patent term adjustment	[ ]
090	400	Request for reinstatement of term reduced	[ ]
Other fee (specify)			[ ]

\* Reduced by Basic Filing Fee Paid

**SUBTOTAL \$330.00**

SUBMITTED BY		Complete (if applicable)	
NAME AND REG. NUMBER	Monica S. Davis, Registration No. 44,492		
SIGNATURE		DATE	August 30, 2004
		DEPOSIT ACCOUNT USER ID	02-2135



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

App. No. : 09/637,387  
Appellant : Amy Haugen et al.  
Filed : August 11, 2000  
TC/A.U. : 3622  
Examiner : Jean D. Janvier

Docket No. : 2829-140  
Customer No. : 06449  
Confirmation No. : 8884

MS Appeal Brief-Patents  
Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

**APPELLANTS' BRIEF ON APPEAL UNDER 37 C.F.R. § 1.192**

Sir:

The following comprises the Appellants' Brief on Appeal from the final rejection, dated February 26, 2004, of claims 3-30. This Appeal Brief is filed in triplicate and is accompanied by the required appeal fee set forth in 37 C.F.R. § 1.17(c). Appellants' Notice of Appeal was filed on June 28, 2004. Therefore, the present Appeal Brief is timely filed.

I. REAL PARTY IN INTEREST

Appellants respectfully submit that the above-captioned application is assigned in its entirety to Trilegiant Loyalty Solutions, Inc., a company organized under the laws of the United States.

II. RELATED APPEALS AND INTERFERENCES

Appellants state that, upon information and belief, they are not aware of any co-pending appeal or interference which will directly affect, be directly affected by, or have a bearing on the Board's decision in the pending appeal.

### III. STATUS OF CLAIMS

This is an appeal from the final rejection dated February 26, 2004, wherein claims 3-15 and 30 were rejected under 35 U.S.C. § 102(b) as being anticipated by Biorge et al.(U.S. Patent No. 5,806,045) ("Biorge"), and claims 16-29 were withdrawn from consideration.

The present application was originally filed with claims 1 and 2. An Amendment under 37 C.F.R. § 1.111 was filed January 19, 2001 canceling claims 1 and 2, and adding claims 3-15. A second Amendment under 37 C.F.R. § 1.111 was filed on November 28, 2003 amending claims 3-11, 14 and 15, and adding claims 16-30. A Request for Reconsideration under 37 C.F.R. § 1.116 was filed on May 26, 2004. An Advisory Action mailed June 14, 2004 was received stating that the Request for Reconsideration under 37 C.F.R. § 1.116 was considered but did not place the application in condition for allowance. Claims 3-30 (see attached Appendix) are the claims currently on appeal.

### IV. STATUS OF AMENDMENTS

All Amendments have been entered and considered. The Request for Reconsideration under 37 C.F.R. § 1.116 has been considered. Although the Patent Office selected the box "proposed amendments will not be entered," no claim amendments were presented in the Request for Reconsideration under 37 C.F.R. § 1.116.

### V. SUMMARY OF THE INVENTION

The invention will be summarized by reading the appealed claims onto the specification and drawings. See MPEP §1206, at 1200-10.

Appellants's invention relate to a redemption system for use with a network promotion system and a method for providing a redemption system for use with a

network promotion system. Award transaction information describing awards earned by consumers for participating in promotion programs (e.g., completing a survey, providing an email address, etc.) is received. An award history database containing the award transaction information is maintained. A consumer can redeem all or a portion of the awards earned once the consumer is verified (e.g., low level authentication or high level authentication). The verification is determined from the award transaction information maintained in the award history database. For example, if a consumer earned award points through a low authentication activity (e.g., providing an email address), then the consumer is a high risk. Therefore, a high level authentication (e.g., submit a unique credit card number) is required to authenticate or verify the consumer prior to redemption of awards. Page 11, line 20-page 12, line 11. Other verification or authentication mechanisms include velocity controls, auto shut-down controls, account consolidation controls, etc. Page 12, line 11-page 14, line 5.

As recited in independent claim 3, one aspect of the invention is embodied in a redemption method for use with a network promotion system (Fig. 1:100) that provides awards to consumers for participation in promotion programs (page 5, lines 16-19). The method involves receiving at a client-user device (Fig. 2: 202-206) award transaction information describing awards earned by the consumers for participation in the promotion programs of the network promotion system (Fig. 1: 100) (page 17, lines 6-8); maintaining the award transaction information in a transaction history database (Fig. 2: 116) of a promotion server device (Fig. 2: 218) (Fig. 4 and page 14, lines 8-24), the promotion server device (Fig. 2: 218) being communicable with the client-user device (Fig. 2: 202-206) over a network (Fig. 2: 208) (page 9, lines 8-11); receiving a request from a selected consumer using a client-user device (Fig. 2: 202-206) to redeem at least a portion of the awards earned by the selected consumer (Fig. 8: 802 and page 17, lines 15-18); and determining an authentication level required from the selected consumer to redeem the at least a portion of the awards, the authentication

level being determined from the award transaction information stored in the transaction history database (Fig. 2: 116) of the promotion server device (Fig. 2: 218) (Fig. 8: 806-812 and page 17, lines 22-29).

As recited in dependent claim 4, the invention is further embodied in a method as described above in which the award transaction information includes indications of authentication provided by the consumers (Fig. 4: 406 and page 14, lines 16-19).

As recited in dependent claim 5, the invention is further embodied in a method as described above in which the step of receiving comprises providing at least one promotion program to the consumers, wherein at least one consumer participates in the at least one promotion program (page 9, lines 19-23; Fig. 5: 502; and page 14, lines 30-35); authenticating the at least one consumer to determine at least one indication of authentication from the at least one consumer (Fig. 5: 506 and page 15, lines 4-11); and including the at least one indication of authentication in the award transaction information (Fig. 5: 518 and page 15, line 29-page 16, line 1).

As recited in dependent claim 6, the invention is further embodied in a method as described above in which the transaction history database (Fig. 2: 116) includes indications of authentication associated with the awards earned by the consumers for participation in the promotion programs (page 6, lines 23-29; Fig. 4: 406; and page 14, lines 16-19).

As recited in dependent claim 7, the invention is further embodied in a method as described above in which the authentication level is determined from the indications of authentication maintained in the transaction history database (Fig. 2: 116) (Fig. 4 and page 14, lines 8-24).

As recited in dependent claim 8, the invention is further embodied in a method as described above in which, if the transaction history database (Fig. 2: 116) indicates that the selected consumer has not provided a high level of authentication, then the

authentication level required from the selected consumer will be determined to be the high level of authentication (Fig. 7: 708 and page 16, line 32-page 17, line 4).

As recited in dependent claim 9, the invention is further embodied in a method as described above in which, if the transaction history database (Fig. 2: 116) indicates that the selected consumer has provided a high level of authentication, then the authentication level required from the selected consumer will be determined to be a low level of authentication (Fig. 7: 706 and page 16, line 32-page 17, line 4).

As recited in independent claim 10, another aspect of the invention is embodied in a redemption system for use with a network promotion system (Fig. 1: 100), wherein the network promotion system (Fig. 1: 100) provides awards to consumers for participation in promotion programs (page 5, lines 16-19). The redemption system includes a transaction history database (Fig. 2: 116) for storing award transaction information that describes the awards earned by the consumers for participation in the promotion programs of the network promotion system (Fig. 1: 100) (page 6, lines 23-29); and a processor (Fig. 2: 234) coupled to the transaction history database (Fig. 2: 116). The processor (Fig. 2: 234) is operable to receive a request from a selected consumer to redeem at least a portion of the awards earned by the selected consumer that are included in the transaction history database (Fig. 2: 116) (Fig. 8: 802 and page 17, lines 15-17); and determine an authentication level required from the selected consumer to redeem the at least a portion of the awards, the authentication level being determined from the award transaction information associated with the selected consumer and maintained in the transaction history database (Fig. 2: 116) (Fig. 8: 806-812; Fig. 4; page 14, lines 8-24; and page 17, lines 22-29).

As recited in dependent claim 11, the invention is further embodied in a system as described above in which also comprises a receiver (Fig. 3: 302) coupled to the transaction history database (Fig. 2: 116) to receive the award transaction information

and to store the award transaction information in the transaction history database (Fig. 2: 116) (page 11, lines 8-11).

As recited in dependent claim 12, the invention is further embodied in a system as described above in which the award transaction information includes indications of authentication associated with the awards earned by the consumers for participation in the promotion programs (Fig. 4: 406 and page 14, lines 16-19).

As recited in independent claim 13, another aspect of the invention is embodied in a redemption system for use with a network promotion system (Fig. 1: 100), wherein the network promotion system (Fig. 1: 100) provides awards to consumers for participation in promotion programs (page 5, lines 16-19). The redemption system includes means for storing award information in a transaction history database (Fig. 2: 116), wherein the award information pertains to the awards earned by the consumers for participation in the promotion programs (page 6, lines 23-29); means for receiving a redemption request from a selected consumer, wherein the selected consumer requests to redeem at least a portion of the awards earned from participation in the promotion programs (page 17, lines 15-18); means for determining from the award information in the transaction history database (Fig. 2: 116), an authentication level required from the selected consumer to redeem the at least a portion of the awards (page 16, line 32-page 17, line 4).

As recited in dependent claim 14, the invention is further embodied in a system as described above in which, if the transaction history database (Fig. 2: 116) indicates that the selected consumer has not provided a high level of authentication, then the authentication level required from the selected consumer will be determined to be the high level of authentication (Fig. 7: 708 and page 16, line 32-page 17, line 4).

As recited in dependent claim 15, the invention is further embodied in a system as described above in which, if the transaction history database (Fig. 2: 116) indicates that the selected consumer has provided a high level of authentication, then the



authentication level required from the selected consumer will be determined to be a low level of authentication (Fig. 7: 706 and page 16, line 32-page 17, line 4).

As recited in independent claim 16, another aspect of the invention is embodied in a data network system for providing awards to consumers for participation in promotion programs that are accessed through a network (Fig. 2: 208) (page 5, lines 16-19). The system includes one or more client-user devices (Fig. 2: 202-206) having a client application module (page 9, lines 8-11) for communication over the network (Fig. 2: 208); one or more merchant devices (Fig. 2: 210-214) including a merchant application module (page 9, lines 11-14) for communication over the network (Fig. 2: 208); an application service provider device (Fig. 2: 216) coupled to the one or more merchant devices (Fig. 2: 210-214) and having a local database (Fig. 2: 226) for storing promotional content information (page 10, lines 11-12), the application service provider device (Fig. 2: 216) being adapted to distribute the promotional content information to the one or more merchant devices (Fig. 2: 210-214) so that the consumers can participate in the promotion programs at the one or more client-user devices (Fig. 2: 202-206); and a promotion server device (Fig. 2: 218) having a communication server module for communication over the network (Fig. 2: 208), a transaction history database (Fig. 2: 116) for storing award transaction information relating to the promotion programs (page 6, lines 23-29), and a processor (Fig. 2: 234) coupled to the transaction history database (Fig. 2: 116). The processor (Fig. 2: 234) is operable to receive a request from a selected consumer at the client-user device (Fig. 2: 202-206) to redeem at least a portion of the awards earned by the selected consumer that are included in the transaction history database (Fig. 2: 116) (Fig. 8: 802 and page 17, lines 15-17); and determine an authentication level required from the selected consumer to redeem the at least a portion of the awards, wherein the authentication level is determined from the award transaction information associated with the selected

consumer that is maintained in the transaction history database (Fig. 2: 116) (Fig. 8: 806-812 and page 17, lines 22-29).

As recited in dependent claim 17, the invention is further embodied in a system as described above in which the application service provider device (Fig. 2: 216) further comprises front-end award controls (Fig. 2: 106) for providing award controls (page 5, lines 29-31).

As recited in dependent claim 18, the invention is further embodied in a system as described above in which the front-end award controls (Fig. 2: 106) include consumer authentication (CA), velocity control (VEL), and automatic shutdown (SHUT) (page 5, line 29-page 6, line 3).

As recited in dependent claim 19, the invention is further embodied in a system as described above in which the promotion server device (Fig. 2: 218) further comprises back-end control mechanisms (Fig. 3: 232) for providing notification and redemption controls (page 11, lines 13-14).

As recited in dependent claim 20, the invention is further embodied in a system as described above in which the back-end control mechanisms (Fig. 3: 232) include accelerated point expiration, consumer authentication, velocity control, account consolidation controls, and automatic shutdown (col. 11, line 20-col. 14, line 5).

As recited in dependent claim 21, the invention is further embodied in a system as described above in which also comprise an electronic mail provider device (Fig. 2: 220) for distributing promotional content information to the consumer from the application service provider device (Fig. 2: 216) (page 10, lines 1-2).

As recited in dependent claim 22, the invention is further embodied in a system as described above in which the network (Fig. 2: 208) is an intranet, public network, private network, peer-to-peer system, wide area network, local area network, and the Internet (page 5, lines 23-25).

As recited in dependent claim 23, the invention is further embodied in a system as described above in which the award transaction information includes indications of authentication provided by the consumers (Fig. 4: 406 and page 14, lines 16-19).

As recited in dependent claim 24, the invention is further embodied in a system as described above in which the step of receiving includes providing at least one promotion program to the consumers, wherein at least one consumer participates in the at least one promotion program (page 9, lines 19-23; Fig. 5: 502; and page 14, lines 30-35); authenticating the at least one consumer to determine at least one indication of authentication from the at least one consumer (Fig. 5: 506 and page 15, lines 4-11); and including the at least one indication of authentication in the award transaction information (Fig. 5: 518 and page 15, line 29-page 16, line 1).

As recited in dependent claim 25, the invention is further embodied in a system as described above in which the transaction history database (Fig. 2: 116) includes indications of authentication associated with the awards earned by the consumers for participation in the promotion programs (page 6, lines 23-29; Fig. 4: 406; and page 14, lines 16-19).

As recited in dependent claim 26, the invention is further embodied in a system as described above in which the authentication level is determined from the indications of authentication maintained in the transaction history database (Fig. 2: 116) (Fig. 4 and page 14, lines 8-24).

As recited in dependent claim 27, the invention is further embodied in a system as described above in which, if the transaction history database (Fig. 2: 116) indicates that the selected consumer has not provided a high level of authentication, then the authentication level required from the selected consumer will be determined to be the high level of authentication (Fig. 7: 708 and page 16, line 32-page 17, line 4).

As recited in dependent claim 28, the invention is further embodied in a system as described above in which, if the transaction history database (Fig. 2: 116) indicates

that the selected consumer has provided a high level of authentication, then the authentication level required from the selected consumer will be determined to be a low level of authentication (Fig. 7: 706 and page 16, line 32-page 17, line 4).

As recited in dependent claim 29, the invention is further embodied in a system as described above in which the promotion server device (Fig. 2: 218) further comprises a receiver (Fig. 3: 302) coupled to the transaction history database (Fig. 2: 116) for receiving the award transaction information (page 11, lines 8-11).

As recited in dependent claim 30, the invention is further embodied in a system as described above in which the network (Fig. 2: 208) is an intranet, public network, private network, peer-to-peer system, wide area network, local area network, and the Internet (page 5, lines 23-25).

## VI. ISSUES

- A. Whether claims 16-29 should have been withdrawn from consideration.
- B. Whether claims 3-15 and 30 are unpatentable under 35 U.S.C. §102(b) as being anticipated by Biorge.

## VII. GROUPING OF CLAIMS

Claims 3-30 stand or fall together.

## VIII. ARGUMENTS

### **A. The Restriction of Claims 16-29 is Improper**

The Patent Office has withdrawn claims 16-29 from consideration and asserts that independent claim 16 is directed to an invention that is independent or distinct from the invention originally claimed. In particular, the Patent Office states:

Independent claim 16 recites, among other things, 'one or more merchant devices including a merchant application module for communicating over the network' and 'an application service provider device coupled to the

one or more merchant devices and having a local database for storing promotional content information, the application service provider device being adapted to distribute the promotional content information ...', which were not previously disclosed.

Final Office Action at 2, first and second full paragraphs.

Appellants submit that the restriction is improper because claims 16-29 are not directed to an invention distinct from and independent of the invention previously claimed, and each limitation of claim 16 was embodied in a claim that was pending before claims 16-29 were submitted. Independent claim 16 recites:

A data network system for providing awards to consumers for participation in promotion programs that are accessed through a network, the system comprising:

one or more client-user devices having a client application module for communication over the network;

one or more merchant devices including a merchant application module for communication over the network;

an application service provider device coupled to the one or more merchant devices and having a local database for storing promotional content information, the application service provider device being adapted to distribute the promotional content information to the one or more merchant devices so that the consumers can participate in the promotion programs at the one or more client-user devices; and

a promotion server device having a communication server module for communication over the network, a transaction history database for storing award transaction information relating to the promotion programs, and a processor coupled to the transaction history database and operable to perform the steps of:

receiving a request from a selected consumer at the client-user device to redeem at least a portion of the awards earned by the selected consumer that are included in the transaction history database; and

determining an authentication level required from the selected consumer to redeem the at least a portion of the awards, wherein the authentication level is determined from the award transaction information associated with the selected consumer that is maintained in the transaction history database.

The limitations "one or more client-user devices" and "a promotion server device [that performs receiving and determining steps]" are also recited in independent claim 3 (i.e., they are common among the independent claims), and have been previously examined and acted upon. For example, claim 3 recites "receiving at a *client-user device* award transaction information ... " and "maintaining the award transaction information in a transaction history database of a *promotion server device* ... ." Emphasis added.

In addition, the promotion programs (i.e., promotional content information) that are provided to the consumer (as recited in claim 5 , for example) are products or services offered by one or more merchants using one or more merchant devices via an application service provider. Similarly, claim 5 has been previously examined and acted upon.

Limitations similar to those of claims 16-29 have been previously claimed and examined. Thus, the invention of claims 16-29 is not independent or distinct from the invention originally claimed. There is no undue burden on the Patent Office to examine claims 16-29. Further, claims 16-29 will also be classified in the same class/subclass as claims 3-15 and 30.

Accordingly, Appellants respectfully request the examination of claims 16-29, and withdrawal of the restriction requirement.

#### **B. The Patent Office Erred in Rejecting Claims 3-15 and 30**

Claims 3-15 and 30 have been rejected under 35 U.S.C. § 102(b) as being anticipated by Biorge. Final Office Action at 4 *et seq.*

Independent claim 3 recites, inter alia, "maintaining the award transaction information in a *transaction history database of a promotion server device*, the promotion server device being communicable with the client-user device over a

network." Emphasis added. Independent claims 10, 13 and 16 have a similar limitation. Biorge fails to disclose, teach or suggest this limitation.

In the present invention, as set forth in claim 3, award transaction information, which describes awards earned by consumers for participation in the promotion programs of the network promotion system, is maintained in a transaction history database of a promotion server device.

In contradistinction, as admitted by the Patent Office, in the system of Biorge, all incentive program information relating to a specific customer is stored in a memory 88 of a portable, handheld customer device 74.<sup>1</sup> Column 8, lines 16-28 states:

The information stored within non-volatile memory 88 [of the device 74] includes: (1) a reference user code; (2) an incentive credit total which represents the number of incentive credits that have been accrued; (3) one or more customer incentive codes; (4) incentive program data such as account information, customer device identification, and telephone numbers of control centers; (5) financial transaction data such as an available credit or debit amount, the identification of a financial institution, the account numbers within the institution, financial rules, and the telephone number of the institution; (6) demographics of the customer; and (7) information relating to past transactions carried out using the device.

Since most transactions are carried out off-line (column 4, lines 2-6), the information is not stored or maintained in a transaction history database of a promotion server device; rather, the transaction history data is stored in the customer device.

Further, award transaction information is not stored in a base device 72 of Biorge, as asserted by the Patent Office. Final Office Action at 4, underlined text in

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<sup>1</sup> The Patent Office states that "the customer's incentive credits are stored on the memory of the portable or handheld device 74 where they can be retrieved during a redemption process. At any given time subsequent to storing the incentive credits on the customer's handheld device ... the retailer's POS system or base device 72 transfers newly earned incentive credit to the customer's handheld device 74 permanent memory ... where they are being added to the existing credit balance ... ." Final Office Action at 4, second full paragraph.

second full paragraph. The Patent Office relies on the text at column 10, lines 65-column 12, line 10; column 13, lines 4-22; column 14, lines 1-12; and column 15, lines 28-53 to support its assertions. However, none of these recitations disclose "maintaining the award transaction information in a transaction history database of a promotion server device." For example, column 10, lines 65-column 12, line 10 describes an authentication or security process (e.g., processor checks to see whether or not a customer's card belongs to a user of the system). The only indication of storing any information relating to transactions is at column 11, lines 34-38, which states that the "[c]ustomer processor 80 has access to all of the information necessary for making the above determinations since information relating to past transactions made using the customer card is *stored in non-volatile memory 88 [of the customer device 74].*" Emphasis added.

Column 13, lines 4-22 states, at most, that the processor 100 determines the number of incentive credits that a customer can redeem. Redemption information does not "describe[ ] awards earned by consumers for participation in the promotion programs of the network promotion system." In other words, determining the number of credits for redemption is not the same as describing awards earned by a customer for participating in a promotion program. The only indication of storing any information relating to transactions is at column 13, lines 26-28, which states "[t]he customer processor 80 ... reduces 256 the incentive credit total *stored in non-volatile memory 88 of customer device 74 ...* ." Emphasis added.

Column 14, lines 1-12 merely suggests that a credit amount is computed by the processor 100 of the base device 72. The processor 100 is not a transaction history database of a promotion server device, and no award transaction information is maintained in a transaction history database of a promotion server device. In addition, the computed credit amount does not "describe[ ] awards earned by consumers for participation in the promotion programs of the network promotion system."



Column 15, lines 28-53 simply states that when a transaction cannot be carried out off-line, communication can be made with a common control center. The control center provides instructions when certain redemption or allocation limits have been exceeded. The common control center is not a transaction history database of a promotion server device, and there is no award transaction information "describ[ing] awards earned by consumers for participation in the promotion programs of the network promotion system."

Accordingly, Biorge does not disclose or suggest the claim limitation "maintaining the award transaction information in a transaction history database of a promotion server device."

Independent claim 3 further recites, inter alia, "determining an authentication level required from the selected consumer to redeem the at least a portion of the awards, the authentication level being determined from the award transaction information stored in the transaction history database of the promotion server device." Independent claims 10, 13 and 16 have a similar limitation. Biorge fails to disclose, teach or suggest this limitation.

Biorge discloses a verification process, but does not disclose authentication levels for redeeming at least a portion of earned awards wherein the authentication level is determined from award transaction information stored in a transaction history database of a promotion server device. The verification process of Biorge is twofold: 1) the device is checked to determine whether it is a proper device for use in its incentive program (e.g., device exchanges encrypted signals with a base device), and 2) the user of the device is checked to determine whether he/she is a valid user. The second step of the verification process is performed by entering a user code and comparing the entered code with a reference user code stored within the user device. Fig. 1:20 and col. 4, line 62-col. 5, line 15. A user code (of Biorge) is not the same as an authentication level (Appellants's invention). In fact, Biorge has absolutely no

disclosure relating to authentication levels for permitting customers to redeem award points, and the Patent Office has failed to provide support in the Biorge reference of such teaching.

Further, the reference user code of Biorge is stored in the user device; the user code is entered in the user device; and the comparison of the codes is performed in the user device. The user codes are not stored in a "transaction history database of [a] promotion server device."

Accordingly, Biorge does not teach or suggest the claim limitation "determining an authentication level required from the selected consumer to redeem the at least a portion of the awards, the authentication level being determined from the award transaction information stored in the transaction history database of the promotion server device."

Since Biorge does not teach each and every limitation of independent claims 3, 10, 13 and 16, Biorge cannot anticipate these claims. Thus, Appellants respectfully request that the rejection of claims 3, 10, 13 and 16 be reversed.

Claims 4-9, 11, 12, 14, 15 and 17-30 depend directly or indirectly on at least one of independent claims 3, 10, 13 and 16, and are submitted to be distinguishable and patentable over the Biorge reference for at least the same reasons set forth above in connection with claims 3, 10, 13 and 16.

Finally, the Patent Office has made several allegations that Biorge teaches or suggests the claimed invention; however, the Patent Office has not identified which limitation of the claims it is referring to and/or provided any citations to the Biorge reference.<sup>2</sup> The Patent Office simply provides a general summary of the Biorge reference. Moreover, the Patent Office lists terms, such as "local award history database," "local history database," "Internet," "WAN," "LAN," "low level authentication,"

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<sup>2</sup> Any citation provided by the Patent Office does not disclose the claim limitations of the claimed invention.

"high level authentication," and "global award history database," that are not contained, described or mentioned in the entire disclosure of the Biorge reference.

CONTINGENT AUTHORIZATION TO CHARGE DEPOSIT ACCOUNT AND  
CONTINGENT PETITION FOR EXTENSION OF TIME

The present Brief on Appeal is being filed in triplicate. Unless a check is submitted herewith for the fee required under 37 C.F.R. §1.192(a) and 1.17(c), please charge said fee to Deposit Account No. 02-2135.

Appellants hereby petition for any extension of time which may be required to maintain the pendency of this case, and any required fee for such extension is to be charged to Deposit Account No. 02-2135.

Respectfully submitted,



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## APPENDIX

### **CLAIMS 3-30:**

3. A redemption method for use with a network promotion system that provides awards to consumers for participation in promotion programs, the method comprising the steps of:

receiving at a client-user device award transaction information describing awards earned by the consumers for participation in the promotion programs of the network promotion system;

maintaining the award transaction information in a transaction history database of a promotion server device, the promotion server device being communicable with the client-user device over a network;

receiving a request from a selected consumer using a client-user device to redeem at least a portion of the awards earned by the selected consumer; and

determining an authentication level required from the selected consumer to redeem the at least a portion of the awards, the authentication level being determined from the award transaction information stored in the transaction history database of the promotion server device.

4. The method of claim 3, wherein the award transaction information includes indications of authentication provided by the consumers.

5. The method of claim 4, wherein the step of receiving comprises the steps of:  
providing at least one promotion program to the consumers, wherein at least one consumer participates in the at least one promotion program;

authenticating the at least one consumer to determine at least one indication of authentication from the at least one consumer; and

including the at least one indication of authentication in the award transaction information.

6. The method of claim 3, wherein the transaction history database includes indications of authentication associated with the awards earned by the consumers for participation in the promotion programs.

7. The method of claim 6, wherein the authentication level is determined from the indications of authentication maintained in the transaction history database.

8. The method of claim 7, wherein, if the transaction history database indicates that the selected consumer has not provided a high level of authentication, then the authentication level required from the selected consumer will be determined to be the high level of authentication.

9. The method of claim 7, wherein, if the transaction history database indicates that the selected consumer has provided a high level of authentication, then the authentication level required from the selected consumer will be determined to be a low level of authentication.

10. A redemption system for use with a network promotion system, wherein the network promotion system provides awards to consumers for participation in promotion programs, the redemption system comprising:

a transaction history database for storing award transaction information that describes the awards earned by the consumers for participation in the promotion programs of the network promotion system; and

a processor coupled to the transaction history database and operable to perform the steps of:

receiving a request from a selected consumer to redeem at least a portion of the awards earned by the selected consumer that are included in the transaction history database; and

determining an authentication level required from the selected consumer to redeem the at least a portion of the awards, the authentication level being determined from the award transaction information associated with the selected consumer and maintained in the transaction history database.

11. The redemption system of claim 10, further comprising a receiver coupled to the transaction history database to receive the award transaction information and to store the award transaction information in the transaction history database.

12. The redemption system of claim 11, wherein the award transaction information includes indications of authentication associated with the awards earned by the consumers for participation in the promotion programs.

13. A redemption system for use with a network promotion system, wherein the network promotion system provides awards to consumers for participation in promotion programs, the redemption system comprising:

means for storing award information in a transaction history database, wherein the award information pertains to the awards earned by the consumers for participation in the promotion programs;

means for receiving a redemption request from a selected consumer, wherein the selected consumer requests to redeem at least a portion of the awards earned from participation in the promotion programs;

means for determining from the award information in the transaction history database, an authentication level required from the selected consumer to redeem the at least a portion of the awards.

14. The redemption system of claim 13, wherein, if the transaction history database indicates that the selected consumer has not provided a high level of authentication, then the authentication level required from the selected consumer will be determined to be the high level of authentication.

15. The redemption system of claim 13, wherein, if the transaction history database indicates that the selected consumer has provided a high level of authentication, then the authentication level required from the selected consumer will be determined to be a low level of authentication.

16. A data network system for providing awards to consumers for participation in promotion programs that are accessed through a network, the system comprising:

one or more client-user devices having a client application module for communication over the network;

one or more merchant devices including a merchant application module for communication over the network;

an application service provider device coupled to the one or more merchant devices and having a local database for storing promotional content information, the application service provider device being adapted to distribute the promotional content



information to the one or more merchant devices so that the consumers can participate in the promotion programs at the one or more client-user devices; and

a promotion server device having a communication server module for communication over the network, a transaction history database for storing award transaction information relating to the promotion programs, and a processor coupled to the transaction history database and operable to perform the steps of:

receiving a request from a selected consumer at the client-user device to redeem at least a portion of the awards earned by the selected consumer that are included in the transaction history database; and

determining an authentication level required from the selected consumer to redeem the at least a portion of the awards, wherein the authentication level is determined from the award transaction information associated with the selected consumer that is maintained in the transaction history database.

17. The data network system of claim 16, wherein the application service provider device further comprises front-end award controls for providing award controls.

18. The data network system of claim 17, wherein the front-end award controls include consumer authentication, velocity control, and automatic shutdown.

19. The data network system of claim 16, wherein the promotion server device further comprises back-end control mechanisms for providing notification and redemption controls.

20. The data network system of claim 19, wherein the back-end control mechanisms include accelerated point expiration, consumer authentication, velocity control, account consolidation controls, and automatic shutdown.

21. The data network system of claim 16, further comprising an electronic mail provider device for distributing promotional content information to the consumer from the application service provider device.

22. The data network system of claim 16, wherein the network is an intranet, public network, private network, peer-to-peer system, wide area network, local area network, and the Internet.

23. The data network system of claim 16, wherein the award transaction information includes indications of authentication provided by the consumers.

24. The data network system of claim 23, wherein the step of receiving comprises the steps of:

providing at least one promotion program to the consumers, wherein at least one consumer participates in the at least one promotion program;

authenticating the at least one consumer to determine at least one indication of authentication from the at least one consumer; and

including the at least one indication of authentication in the award transaction information.

25. The data network system of claim 16, wherein the transaction history database includes indications of authentication associated with the awards earned by the consumers for participation in the promotion programs.

26. The data network system of claim 25, wherein the authentication level is determined from the indications of authentication maintained in the transaction history database.

27. The data network system of claim 26, wherein, if the transaction history database indicates that the selected consumer has not provided a high level of authentication, then the authentication level required from the selected consumer will be determined to be the high level of authentication.

28. The data network system of claim 26, wherein, if the transaction history database indicates that the selected consumer has provided a high level of authentication, then the authentication level required from the selected consumer will be determined to be a low level of authentication.

29. The data network system of claim 16, wherein the promotion server device further comprises a receiver coupled to the transaction history database for receiving the award transaction information.

30. The redemption method of claim 3, wherein the network is an intranet, public network, private network, peer-to-peer system, wide area network, local area network, and the Internet.